OLD FIELD ASSOCIATES

2459 LEWIS AVE. SIGNAL HILL, CA 90755

January 15, 2016

Joshua Cwikla Los Angeles Regional Water Quality Control Board 320 W. Fourth Street, Suite 200 Los Angeles, CA 90013

RE: Old Field Associates, Submittal of Statement
LARWQB Investigative Order No. R4-2015-0408
The Disposal of Well Drilling Fluids, Well Completion Fluids, and
Production Fluids to Land

This statement is being submitted to the Los Angeles Regional Water Quality Control Board (LARWQB) pursuant to Investigative Order No. R4-2015-0408 dated 12/18/2015. Old Field Associates (OFA), or any subsidiary owned and/or operated within the oil field or fields operated by OFA, has not discharged well drilling fluids, well completion fluids, and/or oil production fluids to land since OFA has owned/operated their leases in DOGGR District One. Furthermore, it is not a common practice for OFA to discharge fluids to an open pit, pond, excavation and/or natural depression.

Additionally, the following information and methodology for obtaining this information, is being submitted as part of this statement:

<u>Description of Disposal Methods and Destinations</u>:

OFA and/or its affiliates have not drilled any wells since they have owned and/or operated within the oil field operated by OFA.

Produced water generated as a part of lease oil production is transferred via pipeline to offsite DOGGR permitted injection wells and/or transferred via pipeline to a POTW (Publically Owned Treatment Works). The volume of produced water for OFA operations has averaged approximately 128,885 barrels per year over the last 10 years.

Crude oil produced by OFA operations is sold with a custody transfer at the lease site. The oil is trucked offsite for delivery to a refinery by others (not by OFA). The volume of crude oil produced by OFA has averaged approximately 7,764 barrels per year over the last 10 years.

<u>Volumes of Fluids</u>: The volume of water and oil produced was based upon OFA records as reported to the California Department of Conservation, Division of Oil, Gas and Geothermal Resources.

Lastly, I, Mike Bair certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of the those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Yours truly,

Mike Bair

Partner

Old Field Associates